

10 March 1961

MEMORANDUM TO: Budget Officer, CIA
Budget Officer, OEO
Budget Officer, OGC
Chief, Procurement Office
Chief, Finance Division
Chief, Fiscal Division

SUBJECT : Obligation of Official Funds

1. A meeting was held in Room [redacted] Building on March 7, 1961, for the purpose of discussing the above subject. Attending were Messrs. [redacted] of the Procurement Office, Messrs. [redacted] and [redacted] of the Comptroller's Office, and Messrs. [redacted] Budget Officers of OEO and OGC respectively.

2. The purpose of the meeting was to devise secure, simple, and effective mechanics for the obligation of funds covering procurement documents, prior to the release of such documents by the Procurement Office. After considerable discussion it was agreed that the following procedure would be followed effective as of April 1, 1961:

- a. All procurement documents involving obligations (vouchered or unvouchered) against OEO or OGC allotments will be routed by the Procurement Office, prior to release, to the OEO or OGC Budget Officer, as appropriate. This includes Purchase Orders, Letter Orders, Contracts, Inter-agency agreements, or any other document initiated by the Procurement Office involving an obligation of funds against OEO or OGC allotments.
- b. The OEO and OGC Budget Officers will stamp and initial the procurement documents, certifying that funds are available, and route them as follows:
 - (1) Routine Purchase Orders and Contracts involving obligation of vouchered funds will be routed by the Budget Officers to the Fiscal Division, and will be handled and processed as heretofore in accordance with existing procedures. After endorsement by Fiscal Division a copy will be returned to the Procurement Office.
 - (2) Letter Orders and Inter-agency agreements involving reimbursements to other government agencies will be routed: one copy to Comptroller, one copy returned to Procurement Office.

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- (3) Procurement documents involving obligations that are to be paid from unvouchered funds (other than inter-agency reimbursements) will be routed, one copy to Finance Division, one copy returned to Procurement Office. In security procedure distribution of the actual procurement document, a sterilized "advice" form will be used instead.

- c. The OSO and OPO Budget Officers will be responsible for making proper adjustments in their sub-allotment and project allotments effect proper control of obligations of both vouchered and unvouchered funds. Whenever project sub-allotments are made from unvouchered funds primary allotments, and the actual procurement involves purchases from another government agency and reimbursement from vouchered funds the OSO and OPO Budget Officers will make appropriate requests on the CIA Budget Division for the transfer of funds from their unvouchered to their vouchered primary allotments. However it is contemplated that such transfers will be effected in advance on a monthly or quarterly basis, so that there will be no build up in the processing of individual procurement documents.

8. Those present at the meeting agreed to instruct the appropriate personnel under their supervision in order that the above outlined procedure might be made effective as of 1 April 1961.


Assistant Comptroller

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